

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

IN RE: '318 PATENT INFRINGEMENT
LITIGATION

Civil Action No. 05-356-KAJ
(Consolidated)

STIPULATION AND ORDER

WHEREAS plaintiffs Janssen Pharmaceutica N.V., Janssen, L.P. and Synaptech, Inc. (collectively “Janssen”) and defendants Teva Pharmaceuticals USA, Inc. and Teva Pharmaceutical Industries Ltd. (collectively “Teva”) have been litigating the issue of alleged infringement of U.S. Patent No. 4,663,318 (“the ‘318 patent”) predicated on Teva’s filing of an Abbreviated New Drug Application, No. 77-587, to obtain approval for the manufacture, use and sale of galantamine hydrobromide oral tablets equivalent to 4, 8 and 12 mg base, beginning in Civil Action No. 05-356-KAJ (“the Teva Action”); and

WHEREAS the Teva Action was consolidated with similar cases Janssen commenced against several other defendants; all of which have been consolidated in this Court under the above caption and in Civil Action No. 05-356-KAJ (“the ‘318 Action”);

IT IS HEREBY STIPULATED AND AGREED, between Janssen and Teva,
through their undersigned attorneys, that:

1. This Teva Action is STAYED; and
2. If a judgment of invalidity is entered in the '318 Action, the stay shall be lifted and such a judgment shall be entered in the Teva Action at the same time;

3. If a judgment of unenforceability is entered in the '318 Action, the stay shall be lifted and such a judgment shall be entered in the Teva Action at the same time;
4. If a judgment in favor of Janssen is entered in the '318 Action, the stay shall be lifted and such a judgment shall be entered in the Teva Action at the same time;
5. Notwithstanding entry of a final judgment in the '318 Action concerning the issues of willful infringement and/or exceptional case under 35 U.S.C. § 285, no such judgment shall be entered in the Teva Action, both parties having agreed to waive any claim for attorney's fees against the other in the Teva Action;
6. Any judgment entered in favor of Teva herein as a result of a judgment in the '318 Action shall be subject to appeal by Janssen in that Action;
7. Any judgment entered in favor of Janssen herein as a result of a judgment in the '318 Action may be appealed by Teva on the record in the '318 Action;
8. In the event that judgment in favor of Janssen is not appealed by Teva, but is vacated, modified, affirmed or reversed on appeal in the '318 Action, then the ruling of the appeals court shall be applied in the same manner to any judgment in the Teva action;
9. Notwithstanding the foregoing, either party may move to lift the stay for good cause shown;

10. Good cause, as set forth in paragraph 9 above, includes, but is not limited to, either the settlement of the '318 Action against all remaining defendants to that action, or the entry of a stipulation to stay the '318 Action proceedings against all remaining defendants to that action; and
11. Should a party move to lift the stay in the Teva Action and/or the '318 Action, it hereby agrees to permit the other party to complete their discovery in the '318 Action and to an adjustment of the schedule to accommodate the completion of such discovery.

Dated: July 19, 2006

/s/ Monté T. Squire

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SO ORDERED, this ____ day of _____, 2006.

United States District Judge